REMARKS

Claims 1, 2, 10-12 have been amended. The amendment to claim 1 removes duplication of the word "device" as objected to in the Official Action. The latter amendment also more accurately defines the present invention. Insertion into the data path of a control of data signal is supported by the disclosure (see bottom of page 16 and top of page 17). The amendment to claim 2 can be inferred from the bottom half of page 23.

Claim Rejection Under 35 USC 112

Claims 2, 10, 12, and 13 have been rejected under 35 USC 112.

The amendment to claim 2 clarifies "out-of-band information" and "in-band information". Similarly, the amendment to claim 10 clarifies the nature of the "transfer specific information".

The amendment to claim 12 makes it clear that the "receive link layer device" is operative to receive data from the PHY. The antecedent problem in line 3-4, claim 2 relating to "said interface" has been corrected. Claim 10 has been amended to overcome the objection to "one control word".

Rejection Under 35 USC 102(e) based on Cam et al.

Claims 1, 11 and 13 have been rejected as anticipated by Cam et al. (U.S. Patent No. 6,671,758). Control signal lines (such as

TCLK, TADR, TENB, RCLK, RADR, RENB, etc.) are all out-of-band. The directions of the arrows in Fig. 3 in U.S. Patent 6,671,758 do not have any bearing on whether they are in-band or out-of-band. With regard to the objection to claim 13, signals such as RADR, TADR, TPRTY and RPRTY in U.S. Patent 6,671,758 are out-of-band signals. Out-of-band signals do not share the same electrical lines as the data path. There is no flow control signal in Cam et al. that travels IN-BAND on the data line with the data as in the present application. Thus claims 1, 11 and 13 are distinguished from Cam et al.

Rejection Under 35 USC 102(e) based on Catellano

Claims 1, 2 and 11 have been rejected under 35 USC 102(e) as anticipated by Castellano. (U.S. Patent No. 6,690,670).

Castellano requires sending control information (i.e., start of cell, end of cell, flow control) at pre-determined intervals aligned to ATM cell boundaries (see column 10, lines 33-65).

Such a scheme is inapplicable to variable length packets as are dealt with in Applicant's invention. Moreover, as pertaining to claim 2, the control scheme of Castellano is not credit-based.

Casellano's control scheme consists of an n-bit identifier (page 11, lines 25-30) to indicate the length of a pause, or a suspend delimiter (page 11, lines 45-50). Accordingly, Castellano does not anticipate any of claims 1, 2 and 11.

In view of the above distinctions and the amendments, reconsideration of the present application is respectfully solicited.

Respectfully submitted,

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Seoffrey R. Myers

Attorney for Applicants

Hall Myers, Vande Sande & Pequignot, LLP 10220 River Road, Suite 200 Potomac, Maryland 20854